

CROSSTEX ENERGY, INC.

Governance Committee Charter

Adopted August 8, 2007

Article I. Purpose and Duties

The Governance Committee (the "Committee") of the Board of Directors (the "Board") of Crosstex Energy, Inc. (the "Company"), has been established by the Board to review, monitor and make recommendations regarding the governance of the Company. The duties of the Committee are to:

1. assess the effectiveness of the Company's governance, monitor industry developments and governance practices, and make recommendations from time to time regarding improvements;
2. develop and recommend director qualifications;
3. identify and recommend director nominees;
4. develop and recommend Board committee structure and responsibilities;
5. identify and recommend committee members and chairpersons;
6. develop and recommend Board and committee service policies;
7. develop, recommend and implement a process for the assessment of the effectiveness of the Board, each committee and the Board members, and administer the assessment periodically as determined by the Board;
8. not less than annually, review the Company's policies regarding the compensation of directors and make recommendations to the Board regarding Directors' compensation, including meeting fees, committee fees, and stock-based compensation; and
9. perform any other activities or duties delegated or assigned to the Committee by the Board or requested by the Chief Executive Officer from time to time.

Article II. Membership

The Board will appoint the members of the Committee. The Committee may consist of one or more members of the Board. The Board must affirmatively determine that each member satisfies the independence requirements of the rules of the NASDAQ Global select Market or any other market on which the Company's securities are listed or any higher independence standard imposed by applicable law or the rules of the Securities and Exchange Commission.

Each Committee member will serve until removed or replaced by the Board or until the Committee member ceases to be a Board member, if earlier.

The Board will designate a Chairperson of the Committee who will chair all regular sessions of the Committee and set the agendas for Committee meetings. If the Chairperson is absent from a particular meeting (or not designated by the Board), a majority of the members present will designate an acting chairperson for purposes of that meeting.

The Committee may delegate in writing all or a portion of its duties and responsibilities to a subcommittee of the Committee.

Article III. Meetings

The Committee must meet at least once a year at the call of the Chairperson. Additional meetings may occur as the Committee or its Chairperson deem advisable.

A majority of Committee members is a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet in person, by telephone or videoconference and may take action by unanimous written consent to the fullest extent permitted by the Delaware General Corporation Law.

The Committee will keep minutes of all its proceedings and will report its actions to the Board directly or through its Chairperson. The Secretary or Assistant Secretary of the Company will take the minutes of each meeting of the Committee that he or she attends. If the Secretary or Assistant Secretary is not present, the Committee will designate a person that is present to serve as secretary of the meeting to take minutes. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous written consent.

Article IV. Authority

The Committee has the resources and authority necessary to fulfill the purposes of the Committee and discharge its duties and responsibilities. In particular, the Committee may, at the Company's expense, retain outside counsel or other experts or consultants as it deems appropriate in its sole discretion without consulting with or obtaining the approval of any officer of the Company in advance. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company. The Committee will take all necessary steps to preserve the privileged nature of those communications.
